MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2022/2023

DBE5014 FUNDAMENTALS OF BUSINESS AND ETHICS

(All sections/Groups)

8th JULY 2023
9.00 a.m. – 11.00 a.m.
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of 7 pages with 2 sections.

2. Attempt **ALL** questions in Section A and in Section B. The distribution of the marks for each question is given.

3. Please write all your answers for Section A on the OMR form provided and all answers for Section B in the Answer Booklet provided.

SECTION A: Multiple Choice Questions (30 Marks)

1. Which of the below refers to the definition of entrepreneurship by Stevenson and Jarillo?
   A. Entrepreneurship is a process by which individuals pursue opportunities without regard to resources they currently control.
   B. Entrepreneurship is an art of turning an idea into a business.
   C. Entrepreneurship is an individual that assembles and integrates all the resources needed to build a business.
   D. Entrepreneurship is about making money.

2. _____ is a process of creating and developing new ideas within a company.
   A. Start-up venture
   B. Corporate entrepreneurship
   C. Corporate responsibility
   D. Lean business

3. Which of the following refers to the characteristics of an entrepreneurial firm?
   A. A firm that always practices "wait and see" posture.
   B. A firm that is not active in innovation discussion.
   C. A firm that is proactive.
   D. A firm that practices risk averse.

4. Which of the following is the **NOT** primary reason that people become entrepreneurs?
   A. The desire to be their own boss
   B. The desire to pursue their own ideas
   C. Financial rewards
   D. The desire to work during office hours

5. _____ is the third step in the entrepreneurial process.
   A. Deciding to become an entrepreneur
   B. Managing and growing the business
   C. Develop successful business idea
   D. Moving from an idea to an entrepreneurial company

6. Why do weak-tie relationships lead to more new business ideas than strong-tie relationships?
   A. This is because weak-tie relationships have a group of people that is like-minded working together.
   B. This is because each member in the group has similar experiences.
   C. This is because the group are not as suitable for each other, so one person may say something to another that sparks new idea.
   D. This is because they do not communicate as frequent as they should.

Continued ...

7. The extent and depth of an individual's social network affect the _____.
   A. opportunity recognition
   B. quality of idea
   C. amount of start-up company that can be build
   D. relationship of the founders and co-founders

8. Wallace and his friends had just started a new venture together. He notices that as a CEO of the company it is not easy to manage and organise the people and the business. Which of the liability of newness that Wallace is facing?
   A. High possibility to fail.
   B. New companies normally often falter.
   C. Lack of track record of success.
   D. People involved can't adjust fast enough to their new role.

9. Which of the following are **NOT** the common mistakes in putting together a new-venture team?
   A. Assuming that previous success in other industries automatically translates to your venture's industry.
   B. Presenting a "one person team" philosophy.
   C. Placing capable and diverse team members in the management positions.
   D. Vague or unclear plans for filling the skill or competency gaps that clearly exist.

10. Kang Yu is searching for capable individuals to be part of his new venture. Which of the below attributes that he **MUST** look for?
   A. Someone that does not have any educational background.
   B. Someone that has experience that is not the same as your industry.
   C. Someone that has broad social and professional network.
   D. Someone that does not have prior entrepreneurial experiences. .

11. _____ is a panel of experts who are asked by a company's managers to provide counsel and advice on an ongoing basis.
   A. Business agent
   B. Board of directors
   C. Board of advisors
   D. Business partners

12. What attributes should a company consider when they are looking for board of advisors?
   A. They should seek for compatible and complement one another in terms of experience and expertise.
   B. They should just randomly pick any company that wants to be their boards of advisor.
   C. They should seek those that prefer to have less concern on the development and growth of the company.
   D. They should seek those that are flexible in terms of the rules of accessing confidential information.

Continued ...

13. When starting a new company, founders will seek for _____ to provide financial support who will also be able to provide guidance.
    A. illegal money lender
    B. investors
    C. family
    D. friends

14. Which of the following is **NOT** showing that lenders and investors add value to an entrepreneurial firm?
    A. They help to identify and recruit key management personnel.
    B. They help venture to fine tune its business model.
    C. They help to direct their customers to other companies.
    D. They provide introductions to additional sources of capital.

15. Which of the following is **NOT** an alternative way for raising money for a new venture?
    A. Debt financing.
    B. Mining cryptocurrency.
    C. Equity capital.
    D. Personal funds.

16. Aqill is using _____, so that he can avoid the need for external financing or funding.
    A. equity capital
    B. bank loan
    C. bootstrapping
    D. debt financing

17. Finding for a _____ is one of the ways to get funding. This method refers to individuals who invest their personal capital directly in start-ups.
    A. board of directors
    B. business angel
    C. venture capitalist
    D. crowdfunding

18. Where do venture capital companies normally pool their money from?
    A. High net worth individuals.
    B. Saving plans.
    C. Local investors.
    D. Other businesses.

19. _____ is an activity of selling products made in one's own country for use or resale in other countries.
    A. Direct sales
    B. Exporting
    C. Importing
    D. Embargo

Continued ...

20. Raimi Sdn Bhd uses _____ for the purpose of actively controlling property, assets or companies located in host countries.
    A. foreign exchange
    B. foreign portfolio
    C. foreign direct investments
    D. foreign import taxes

21. "Under this arrangement, a firm in one country licenses the use of its intellectual property to a firm in a second country in return for a royalty payment". This statement **BEST** refers to _____.
    A. international franchising
    B. international forecasting
    C. international licensing
    D. international producing

22. An _____ is referring to an arrangement wherein a firm in one country agrees to operate facilities to a firm in another country for an agreed-upon fee.
    A. international management contract
    B. international trading
    C. international short selling
    D. international product sourcing

23. _____ is where a firm utilises the core competency it developed at home as its main competitive weapon in the foreign market that it enters.
    A. Multidomestic strategy
    B. Global strategy
    C. Transnational strategy
    D. Home replication strategy

24. Alex Gan company has cutting-edge technology in the field of agriculture. This is one of the important components of an international strategy which is known as _____.
    A. market niche
    B. scope of technology
    C. green technology
    D. distinctive competence

25. Which of the following is **BEST** describes the term 'synergy'?
    A. Creating a situation in which the whole is greater than the sum of the parts. .
    B. Creating a new product or idea.
    C. Creating an effective communication.
    D. Creating a competitive situation.

Continued ...

26. A/An _____ is a special type of strategic alliance in which two or more firms join to create a new business entity.
    A. joint venture
    B. acquisition
    C. buy over
    D. merger

27. Companies that want to enter a market that has just opened, it is advice to practice _____.
    A. comprehensive alliances
    B. synergy
    C. ease the market entry
    D. shared risk

28. When two or more firms manufacture products is a shared common facility is called a _____.
    A. marketing alliance
    B. sales alliance
    C. production alliance
    D. advertising alliance

29. Which of the following are the challenges of a public-private venture?
    A. New market.
    B. Government support.
    C. Assets might be seized.
    D. Reduced competition.

30. _____ is where the partners agree to undertake joint research to develop new products or services.
    A. Financial alliance
    B. R&D alliance
    C. Marketing alliance
    D. Synergy alliance

(Total: 30 marks)

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SECTION B: Structured Questions (70 Marks)

QUESTION 1

(a) State and explain the **FOUR (4)** characteristics of successful entrepreneurs. (8 marks)

(b) Angel owns a social enterprise that sells green products. State and explain the **TWO (2)** economic impacts that her company potentially creates. (4 marks)

(Total: 12 marks)

QUESTION 2

(a) Daniel plans to assess the demand for his new product. As a business coach, you are required to briefly explain the **THREE (3)** steps involved in the process to Daniel. (6 marks)

(Total: 6 marks)

QUESTION 3

(a) List and explain **THREE (3)** advantages and **THREE (3)** disadvantages of starting a venture as a team. (6 marks)

(b) In order for a new venture to get their work done, founders will look for labour from various sources. List and explain **FOUR (4)** sources of labour. (8 marks)

(c) Few people deal with the process of raising investment capital until they need to raise capital for their own firm. As a result, many entrepreneurs go about the task of raising capital haphazardly because they lack experience in this area. Nevertheless, financing and funding is indeed crucial for a new venture. State the **THREE (3)** importance of getting financing or funding. (6 marks)

(d) List and explain **TWO (2)** types of crowdfunding programs. (4 marks)

(Total: 24 marks)

Continued ...

QUESTION 4

(a) List and explain the **THREE (3)** stakeholder model of responsibility. (6 marks)

(b) In previous years we can observe that more companies are aware of the social impact that they must create. As such, more companies are using different approaches to conduct their social responsibilities. List the **FOUR (4)** approaches to social responsibility. (8 marks)

(Total: 14 marks)

QUESTION 5

(a) List and explain the **SIX (6)** steps in rational decision making. (12 marks)

(b) Define the role of a middle manager in a company. (2 marks)

(Total: 14 marks)

End of Paper